

Internal Revenue Service, Treasury

§ 49.4253-6

(b) *Service in combat zone.* Service is performed in a combat zone only if it is performed in an area which the President of the United States has designated by Executive order, for the purpose of section 112, as an area in which Armed Forces of the United States are or have engaged in combat, and only if it is performed on or after the date designated by the President by Executive order as the date of the commencing of combatant activities in such zone and on or before the date designated by the President by Executive order as the date of the termination of combatant activities in such zone.

(c) *Exemption certificate.* (1) The exemption certificate shall be in substantially the following form:

EXEMPTION CERTIFICATE  
(Overseas Telephone Calls)  
(Date) \_\_\_\_\_ 19\_\_\_\_  
  
I certify that the toll charges of \$ \_\_\_\_\_  
are for telephone or radio telephone mes-  
sages originating at \_\_\_\_\_  
(Point of origin)  
within a combat zone from \_\_\_\_\_  
(Name)  
a member of the Armed Forces of the United  
States performing service in such combat  
zone; that the transmission facilities were  
furnished by \_\_\_\_\_ (Name of  
carrier); and that the charges are exempt  
from tax under section 4253(d) of the Internal  
Revenue Code.  
  
\_\_\_\_\_  
(Signature of subscriber)  
  
\_\_\_\_\_  
(Address)

NOTE: Penalty for fraudulent use, \$10,000 or imprisonment or both.

(2) See § 49.4253-11 for further provisions relating to exemption certificates.

§ 49.4253-5 Exemption for items otherwise taxed.

A dispatch, message, or conversation transmitted by toll telephone, telegraph, or teletypewriter exchange over the combined facilities of several lines or stations of one or more persons is considered to be one dispatch, message, or conversation, and is subject to only one payment of tax under section 4251.

§ 49.4253-6 Exemption for common carriers and communications companies.

(a) *In general.* (1) The taxes imposed by section 4251 on amounts paid for wire mileage service and wire and equipment service do not apply to amounts paid for any such services to the extent that the amounts paid are for services utilized by a common carrier, telephone or telegraph company, or television or radio broadcasting station or network in the conduct of its business as such.

(2) The tax imposed by section 4251 on amounts paid for general telephone service does not apply to amounts paid for the use of a continuous telephone or radio telephone line or channel to the extent that the amounts paid are for use by a common carrier, telephone or telegraph company, or television or radio broadcasting station or network in the conduct of its business as such, if such line or channel connects stations between any two of which there would otherwise be a toll charge. A line or channel connects stations between which there would otherwise be a toll charge if the telephone company makes a toll charge for a single message transmitted between the two stations in the case of the ordinary residential and business or commercial telephone service. A line or channel connecting two stations is considered a continuous line or channel if such line or channel does not connect with any switchboard interposed between the two stations, which makes it possible to carry on two or more independent conversations simultaneously. Where a line or channel connects with such a switchboard, the exemption is inapplicable to so much of the amount paid as is attributable to the portion of the line or channel which extends from a station to a switchboard located in the same local service area.

(b) *Exemption inapplicable.* This particular exemption is not applicable in the case of the taxes imposed on amounts paid for other services by section 4251, even though such services are utilized by the companies described in the conduct of their business as such.